

INVITATION FOR BIDS (IFB) NO. 01-014
TO
PROVIDE
MAINTENANCE, SERVICING, TESTING AND REPAIRS OF
FIRE EXTINGUISHERS, WET STANDPIPE HOSES, FIRE SPRINKLER SYSTEMS
AND FIRE SUPPRESSION SYSTEMS
FOR THE
UNIVERSITY OF HAWAII AT HILO
HILO, HAWAII

AUGUST, 2000

BOARD OF REGENTS
UNIVERSITY OF HAWAII
HONOLULU, HAWAII

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IT IS THE RESPONSIBILITY OF ALL BIDDERS TO CHECK THE TABLE OF CONTENTS TO CONFIRM THAT ALL PAGES LISTED THEREIN ARE CONTAINED IN THEIR BID PACKAGE.

BIDDER'S REMINDER:

Tax Clearance Certificate or OPRPRM Form 128, CERTIFICATION FOR TAX CLEARANCE, (see Special Provisions).

NOTICE TO BIDDERS

BID FORMS for IFB No. 01-014, Maintenance, Servicing, Testing, and Repairs of Fire Extinguishers, Wet Standpipe Hoses, Fire Sprinkler Systems, and Fire Suppression Systems, University of Hawaii at Hilo, will be available from and received in the OFFICE OF PROCUREMENT, REAL PROPERTY AND RISK MANAGEMENT, UNIVERSITY OF HAWAII, 1400 LOWER CAMPUS ROAD, ROOM 15, HONOLULU, HAWAII 96822, (an unofficial copy of the IFB is available on the Internet at <http://www.state.hi.us/bids/notice01.htm>) and must be submitted no later than 2:30 p.m., August 21, 2000, and at that time will be publicly opened.

Bids received after the time and date fixed for opening will not be considered.

Vendors located outside the Island of Oahu, Hawaii, USA, may request an official copy of the IFB to be sent via U.S. Postal Service by providing the vendor's name, address, contact person and telephone number. If express shipment is desired, requests must be submitted in writing with an account number, BILLABLE TO THE RECEIVER, and an authorized signature. Requests may be transmitted via facsimile, (808) 956-2093. Direct all questions to Bruce Isaacs, (808) 956-8634.

Kenneth P. Mortimer
President, University of
Hawaii and Chancellor,
University of Hawaii at Manoa

Advertised: Honolulu Star-Bulletin
Issue of: August 9, 2000

NOTICE TO BIDDERS

OPPRM FORM 115

BUSINESS CLASSIFICATION CERTIFICATION STATEMENT

(See Official Document)

BID FORM
TO
PROVIDE
MAINTENANCE, TESTING, SERVICING, AND REPAIRS
OF FIRE EXTINGUISHERS, WET STANDPIPE HOSES, FIRE SPRINKLER SYSTEMS,
AND FIRE SUPPRESSION SYSTEMS

Office of Procurement, Real Property
and Risk Management
University of Hawaii
1400 Lower Campus Road, Room 15
Honolulu, Hawaii 96822

To Whom It May Concern:

The undersigned has carefully examined the INVITATION FOR BIDS (IFB) NO. 01-014, TO PROVIDE MAINTENANCE, TESTING, SERVICING, AND REPAIRS OF FIRE EXTINGUISHERS, WET STANDPIPE HOSES, FIRE SPRINKLER SYSTEMS, FIRE SUPPRESSION SYSTEMS FOR THE UNIVERSITY OF HAWAII AT HILO, HILO, HAWAII, and offers to provide all labor, equipment, and tools to perform the work for the University of Hawaii at Hilo, Environmental Health & Safety Office, 200 West Kawili Street, Hilo, Hawaii 96720, in strict accordance with the true intent and meaning of the Invitation for Bids (IFB), for an initial period of ONE (1) year commencing from the date designated in the Notice to Proceed, and thereafter renewable annually, for a maximum period of FIVE (5) years, as follows:

BASIC BIDPart 1

<u>Item</u>	<u>Description</u>	<u>Est. Annual Qty.</u>		<u>Unit Price</u>	<u>Total Amount</u>
1.	Standard weigh, seal and tagging of all portable fire extinguishers.	550	X	\$ _____	= \$ _____
2.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of all 2-1/2 lb. ABC multipurpose D.C. extinguishers.	4	X	\$ _____	= \$ _____
3.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of all 5 lb. ABC multipurpose D.C. extinguishers.	37	X	\$ _____	= \$ _____
4.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of all 6 lb. ABC multipurpose D.C. extinguishers.	6	X	\$ _____	= \$ _____
5.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of all 10 lb. ABC multipurpose D.C. extinguishers.	5	X	\$ _____	= \$ _____
6.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of all 5 lb. Halon extinguishers.	2	X	\$ _____	= \$ _____
7.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of all 13 lb. Halon extinguishers.	7	X	\$ _____	= \$ _____
8.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of all 6 lb. PDC extinguishers.	3	X	\$ _____	= \$ _____
9.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of	1	X	\$ _____	= \$ _____

all 5-1/2 lb. PDC extinguishers.

<u>Item</u>	<u>Description</u>	<u>Est. Annual Qty.</u>		<u>Unit Price</u>	<u>Total Amount</u>
10.	Provide 6-yr. maintenance, servicing and recharging (including seal and tag) of all 10 lb. PDC extinguishers.	1	X	\$ _____	= \$ _____
11.	Provide 12-yr. hydrostatic testing, servicing and recharging of all 5 lb. ABC multipurpose D.C. extinguishers.	28	X	\$ _____	= \$ _____
12.	Provide 12-yr. hydrostatic servicing and recharging of all 10 lb. ABC multipurpose D.C. extinguishers.	16	X	\$ _____	= \$ _____
13.	Provide 5-yr. hydrostatic servicing and recharging of all 5 lb. carbon dioxide extinguishers.	12	X	\$ _____	= \$ _____
14.	Provide 5-yr. hydrostatic servicing and recharging of all 10 lb. carbon dioxide extinguishers.	3	X	\$ _____	= \$ _____
15.	Provide 12-yr. hydrostatic testing, servicing and recharging (including seal and tag) of all 5 lb. Halon extinguishers.	1	X	\$ _____	= \$ _____
16.	Provide 12-yr. hydrostatic testing, servicing and recharging (including seal and tag) of all 6 lb. ABC multipurpose D.C. extinguishers.	2	X	\$ _____	= \$ _____
17.	Provide 12-yr. hydrostatic testing, servicing and recharging (including seal and tag) of all 5-1/2 lb. PDC extinguishers.	1	X	\$ _____	= \$ _____
18.	Provide 12-yr. hydrostatic testing, servicing and	1	X	\$ _____	= \$ _____

recharging (including seal and tag) of all 10 lb. PDC extinguishers.

<u>Item</u>	<u>Description</u>	<u>Est. Annual Qty.</u>		<u>Unit Price</u>	<u>Total Amount</u>
19.	Provide 5-yr. hydrostatic testing, servicing and recharging (including seal and tag) of all 15 lb. CO2 extinguishers.	2	X	\$ _____	= \$ _____
20.	Provide 12-yr. hydrostatic testing, servicing and recharging (including seal and tag) of all 13 lb. Halon extinguishers.	2	X	\$ _____	= \$ _____
21.	Provide 12-yr. hydrostatic testing, servicing and recharging (including seal and tag) of all 6 lb. PDC extinguishers.	2	X	\$ _____	= \$ _____
22.	Provide 5-yr. hydrostatic testing, servicing and recharging (including seal and tag) of all 2-1/2 lb. Pressured Water and Water Mist extinguishers.	1	X	\$ _____	= \$ _____
23.	Provide 5-yr. hydrostatic testing, servicing and recharging (including seal and tag) of all 6 liter Wet Chemical.	1	X	\$ _____	= \$ _____
24.	Provide annual maintenance, servicing, testing, repairs (including seal and tag) of all Standpipe Hoses and nozzles.	70	X	\$ _____	= \$ _____
25.	Provide annual maintenance, servicing, testing, (including seal and tag) of all Fire Sprinkler systems. Total of EIGHT (8) systems.	8	X	\$ _____	= \$ _____
26.	Provide semi-annual maintenance servicing, testing, (including seal and tag) of	10	X	\$ _____	= \$ _____

all Fire Suppression systems.
Total of TEN (10) systems.

TOTAL AMOUNT FOR PART 1, ITEMS 1 - 26 = \$

Prices for Part 1 shall include all applicable taxes.

Part 2 - Cost for New or Replacement Fire Extinguishers

Furnish and deliver new or replacement fire extinguishers that are not part of the annual service indicated in Part 1, Items 1 - 26.

<u>Item</u>	<u>Description</u>	<u>Make and Model</u>	<u>Unit Price</u>
1.	2-1/2 lb. ABC Multipurpose D.C. extinguisher.		\$
2.	5 lb. ABC Multipurpose D.C. extinguisher.		\$
3.	6 lb. ABC Multipurpose D.C. extinguisher.		\$
4.	10 lb. ABC Multipurpose D.C. extinguisher.		\$
5.	5 lb. Halon extinguisher.		\$
6.	13 lb. Halon extinguisher.		\$
7.	5-1/2 lb. PDC extinguisher.		\$
8.	6 lb. PDC extinguisher.		\$
9.	10 lb. PDC extinguisher.		\$
10.	5 lb. Carbon Dioxide extinguisher.		\$
11.	10 lb. Carbon Dioxide extinguisher.		\$
12.	15 lb. Carbon Dioxide extinguisher.		\$
13.	2-1/2 lb. Pressured Water and Water Mist extinguisher.		\$
14.	6 liter Wet Chemical extinguisher.		\$

Prices for Part 2 shall be f.o.b destination, including all applicable taxes.

TOTAL AMOUNT FOR PART 2, ITEMS 1 - 14	= \$
TOTAL AMOUNT FOR PART 1, ITEMS 1 - 26	= \$
TOTAL AMOUNT FOR PARTS 1 + 2	= \$

Bidders must bid on all items in Part 1 and all items in Part 2 to be considered for award.

The undersigned shall indicate its certification/license number to perform the required maintenance/servicing of fire extinguishers, fire sprinkler systems, and fire suppression systems.

Certification/License Number: _____

TAX LIABILITY

Both out-of-state and Hawaii bidders are advised that the amount bid on this solicitation is subject to the general excise tax (currently 4%) imposed by Chapter 237, Hawaii Revised Statutes (HRS) and, if tangible property is being imported into the State of Hawaii for resale, the use tax (currently 1/2%) imposed by Chapter 238, HRS. (Refer to Tax Clearance in the Special Provisions and Taxes in the General Provisions.) Bidders are therefore cautioned to consider such taxes in formulating their bids since no adjustments to the prices bid shall be allowed.

BASIS FOR AWARD

The award of contract, if awarded, shall be made to the lowest responsive and responsible bidder on the **TOTAL AMOUNT FOR PART 1 AND PART 2.**

NOTE TO BIDDERS

An acceptable bid must conform in all material respects to this Invitation for Bids. Any of the following may be grounds for disqualification:

1. Taking exception to any of the specifications, terms or conditions contained in the IFB.
2. Placing conditions on the furnishing of solicited goods or services.
3. Inclusion of a quotation or order form containing additional specifications, terms or conditions.
4. Referencing external documents containing additional specifications, terms or conditions.

Bidders are advised that bids are evaluated as submitted and requests

by bidders to delete conditions contained in their bids after bid opening cannot be considered.

In the event that the undersigned is awarded this contract and its remittance address differs from the address shown on page BID - 9, indicate remittance address below:

Street Address or P. O. Box

City State Zip Code

WAGE CERTIFICATE
(See Official Document)

SIGNATURE PAGE
(See Official Document)

TECHNICAL SPECIFICATIONS

This section indicates the Technical Specifications for the services required. The Technical Specifications listed herein are the minimum requirements and are mandatory for an accepted bid.

1. SCOPE OF SERVICE

All servicing of portable fire extinguishers, wet standpipe hoses, fire sprinkler systems, and fire suppression systems shall be performed in accordance with the current National Fire Protection Association (NFPA) standards, the fire codes of the City & County of Hilo, and all applicable city, state, and federal regulations/ordinances.

All work shall be performed by skilled tradespersons, licensed by the City & County of Hilo to perform maintenance and servicing of portable fire extinguishers, wet standpipe hoses, fire sprinkler systems, and fire suppression systems.

To verify that servicing of extinguishers has been performed, the Contractor shall affix an internal maintenance label to the siphon tube. The label shall bear the name of the company, date of service, name and license number of the individual performing the service.

2. COMPLETION OF SERVICE

All extinguishers under this contract shall be picked up, serviced and returned to the same location. All standpipe hoses, fire sprinkler systems and fire suppression systems included in this contract shall be serviced on site at the University of Hawaii at Hilo location. All servicing shall be completed within TEN (10) working days from the initial start date.

3. SERVICE REPORTS

Upon completion of servicing the extinguishers, standpipe hoses, fire sprinkler systems and fire suppression systems, the Contractor shall provide to the Technical Representative of the Procurement Officer (TRPO) with a service report signed by the Contractor, including but not limited to: description of the services rendered, date of service, type of equipment serviced.

If any replacement parts not normally required were used to repair the extinguishers, hoses, sprinkler or suppression systems, the report shall also indicate cost of replaced parts and the type of equipment which required such servicing.

4. WARRANTY

The Contractor shall warrant that all workmanship and materials of equipment serviced under this contract shall be guaranteed for a period of ONE (1) year from the date of original servicing. Equipment serviced by the Contractor found to require additional work due to faulty workmanship within the warranty period shall be serviced again to the satisfaction of and at no additional cost to the University, provided such defects are due to abuse or negligence on the part of the University.

5. REPAIRS OTHER THAN NORMAL MAINTENANCE

Any replacement parts not normally required to restore the equipment covered under this contract to service shall be billed separately.

Materials and component parts replaced shall be at cost (the actual cost of materials to the Contractor), and shall be of the same or comparable specification and quality as that which was replaced. If the replacement is due to negligence of the Contractor, or if the part is under manufacturer's warranty, the repair shall be done at no cost to the University. A copy of the Contractor's invoice for the Contractor's cost for the replacement parts shall be submitted with each service report.

6. SCHEDULING OF MAINTENANCE, SERVICING, TESTING AND REPAIRS

To assist the Contractor in scheduling the various services to be performed for the fire extinguishers, wet standpipe hoses, fire sprinkler systems, and fire suppression systems, refer to Attachment 1, which shows the most current Fire Equipment Inspection & Service Report for UH-Hilo.

All questions pertaining to the Technical Specifications shall be directed to Ross Nishi, Environmental Health & Safety Officer, telephone (808) 974-7333 (Hilo).

Bidders are cautioned to review the Technical Specifications carefully and thoroughly. Objections to or requests for clarification of the specifications shall be made in writing in accordance with the General Provisions to the Office of Procurement, Real Property and Risk Management prior to the submittal of a bid. The submittal of a bid shall be considered as acceptance of the specifications as published.

SPECIAL PROVISIONS

1. SCOPE

The Maintenance, Servicing, Testing and Repairs of Fire Extinguishers, Hoses, Fire Sprinkler Systems, and Fire Suppressions Systems for the University of Hawaii at Hilo shall be in accordance with the terms and conditions of IFB No. 01-014 and the General Provisions dated February 23, 1996 included by reference. Copies of the General Provisions are available at the Office of Procurement, Real Property and Risk Management, University of Hawaii, 1400 Lower Campus Road, Room 15, Honolulu, Hawaii 96822 or the General Provisions may be viewed at: <http://www.state.hi.us/bids/notice03.htm>

2. TECHNICAL REPRESENTATIVE OF THE PROCUREMENT OFFICER (TRPO)

The Technical Representative of the Procurement Officer is Ross Nishi, Environmental Health & Safety Officer, telephone (808) 974-7333 (Hilo).

3. ELIGIBILITY TO BID

Each prospective bidder, as a prerequisite to bid on any contract to supply services in excess of \$25,000 shall, at the time of bid submission, assure the University by certification in writing, of compliance with the requirements of Section 103-55, Hawaii Revised Statutes, that:

- a. The services to be rendered shall be performed by employees paid at not less than the wages or salaries paid to public officers and employees for similar work.
- b. All applicable Federal and State laws relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

4. BIDDER'S QUALIFICATIONS

To qualify to bid on the specified goods and/or services, the bidder must be engaged in a business whose primary and customary interest is to provide the specified goods and/or services. The bidder must also have the requisite experience, appropriate forms of insurance, and proper licenses. The University reserves the right to disqualify any potential bidder if, in its discretion, the University determines that the bidder does not have the requisite experience or expertise to provide the goods and/or services.

5. TERM OF CONTRACT

The Contractor shall enter into a contract with the University for an initial period of ONE (1) year commencing on the date designated in the Notice to Proceed, and the unit price(s) bid shall remain firm for the initial term of the contract. Thereafter, the contract shall be renewable from year to year, for a total of FIVE (5) years, without the necessity of rebidding, upon mutual agreement in writing, NINETY (90) days prior to the annual renewal date. The contract price for each renewal period shall remain the same or lower than the initial bid price or may be adjusted in accordance with Special Provision 6, ESCALATION CLAUSE, of the contract, upon written request of the Contractor. Further, the University may terminate the contract at any time upon NINETY (90) days' prior written notice.

6. ESCALATION CLAUSE

The Contractor shall be allowed to request adjustments to the contract price for each contract renewal period, NINETY (90) days prior to contract renewal date, provided that the contract price for each renewal period shall not increase more than 5% (or) more than the Consumer Price Index for Pacific Cities and U. S. City Average based on All Urban Consumers, U. S. City Average, in effect ONE HUNDRED TWENTY (120) days prior to the renewal date, whichever is less, and provided, further, that the request is made in writing to the University.

7. ORDERING

Orders shall be placed by the issuance of purchase orders by authorized individuals of the University of Hawaii at Hilo's Environmental Health & Safety Office. Purchase orders may be issued under this contract from the date designated in the Notice to Proceed for a ONE (1)-year period, and for subsequent ONE (1)-year periods in accordance with Special Provision 5, TERM.

All purchase orders issued hereunder shall reference the contract number and shall be subject to the terms and conditions of this contract. This contract shall control in the event of conflict with any purchase order.

When mailed, a purchase order shall be "issued" for purposes of this contract at the time the University deposits the purchase order in the mail.

Purchase orders, when issued, shall specify the following:

- a. Model(s) and quantity of portable fire extinguishers, standpipe hoses, fire sprinkler systems, and fire suppression

systems.

b. Type(s) of maintenance and servicing requested.

c. Cost of services.

8. REQUIREMENTS

This is a requirements contract for the maintenance and servicing specified in the Bid Form and for the period set forth herein. Delivery shall be made only as authorized by purchase orders issued in accordance with Special Provision 7, ORDERING.

The quantities shown in the Bid Form are for bid purposes only and should not be considered firm. In the event that the University's requirements for the maintenance and servicing do not materialize in the estimated quantities, such event shall not constitute the basis for an equitable price adjustment under this contract. The University reserves the right to order maintenance and servicing for additional quantities or decrease the quantities for each item at the unit prices quoted during the term of the contract.

9. INDEPENDENT CONTRACTOR

It is understood and agreed that the Contractor shall provide said services as an independent Contractor and shall not be under the direction or control of the University. The University shall not be responsible for any claims and demands of any kind or nature that may be brought against it on any matter or thing arising out of or in connection with the services provided by the Contractor and not occasioned through the fault or negligence of the University.

10. REJECTION OF SERVICES

The University reserves the right to reject defective materials and workmanship which shall be promptly and satisfactorily replaced and corrected by the Contractor at no additional cost to the University.

11. LIABILITY AND INDEMNITY

It is expressly understood that the successful bidder will be an independent Contractor engaged in transacting its own business on premises furnished by the University. Contractor shall expressly agree to pay for the costs of all labor, material, supplies, and other expenses in connection with the operation of its business and to defend, indemnify, and hold harmless the University and any individual member thereof, from any and all claims or demands

for damages and liability for anything and everything whatsoever arising from, or out of the services provided by the Contractor or the Contractor's employees.

12. TERMINATION

The University may terminate this contract at any time upon NINETY (90) days' prior written notice or at any time if the Contractor fails to perform as specified.

13. INSURANCE

Contractor shall maintain insurance acceptable to the University in full force and effect throughout the term of this contract. The policy or policies of insurance maintained by Contractor shall provide Combined Single Limit Coverage (bodily injury and property damage) in the amount of \$1,000,000 per occurrence.

Insurance shall be in force the first day of the term of this contract.

Each insurance policy required by this contract shall not be cancelled, limited in scope of coverage or non-renewed until after THIRTY (30) days' written notice has been given to the University of Hawaii, Director of Office of Procurement, Real Property and Risk Management.

Contractor agrees to deposit with University, on or before the effective date of this contract, certificates of insurance necessary to satisfy the University that the insurance requirements of this contract have been complied with and to keep such insurance in effect and the certificates therefor on deposit with the University during the entire term of this contract.

The University shall retain the right at any time to review the coverage, form, and amount of the insurance required hereby. If, in the opinion of the University, the insurance provisions in this contract do not provide adequate protection for the University, the University may require Contractor to obtain insurance sufficient in coverage, form, and amount to provide adequate protection. The University's requirements shall be reasonable but shall be designed to assure protection from and against the kind and extent of the risks which exist at the time a change in insurance is required.

The University shall notify Contractor in writing of changes in the insurance requirements; and if Contractor does not deposit copies of acceptable insurance policies with the University incorporating such changes within SIXTY (60) days of receipt of

such notice, this contract shall be in default without further notice to Contractor and the University shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obligated for the full and total amount of any damage, injury, or loss arising from its acts or omissions with respect to this contract.

14. MANAGED PROCESS REVIEW

If this Agreement was entered into between July 20, 1998, and July 1, 2001, and extends beyond June 30, 2001, it is subject to a single review pursuant to the managed process developed pursuant to Part III, Section 6 of Act 230, 1998 Hawaii Session Laws, 785, 787. Pursuant to the managed process review, this Agreement may be canceled, continued, or extended by the University.

15. TAX CLEARANCE FOR CONTRACTS

In accordance with Section 103-53, HRS, bidders shall submit with their bid packages, original tax clearances from the State of Hawaii Department of Taxation and the Internal Revenue Service. In the event bidders are unable to obtain a tax clearance by mail in time to include it with their bid packages, bidders may submit a completed OPRPRM Form 128, CERTIFICATION FOR TAX CLEARANCE, in place of the DOTAX Form A-6, with their bid packages. However, an original tax clearance must be provided before contract award.

Tax clearances obtained shall certify that all tax returns due have been filed, and all taxes, interest, and penalties levied or accrued under the provisions of Title 14 that are administered by the State of Hawaii Department of Taxation and under the Internal Revenue Code against the bidder, have been paid. This shall apply to all contracts, whether with Hawaii bidders, out-of-state bidders, or nonprofit organizations.

This shall not apply to bidders if the State of Hawaii Department of Taxation certifies that the bidder is in good standing under a plan in which delinquent taxes are being paid to the State of Hawaii Department of Taxation (and the Internal Revenue Service, if applicable) in installments.

Offers that are not accompanied by original tax clearances or OPRPRM Form 128, CERTIFICATION FOR TAX CLEARANCE, may be considered as non-responsive and may be rejected.

Any questions pertaining to tax clearances may be addressed to

the following:

- a. Internal Revenue Service, Compliance Division - LTC
300 Ala Moana Boulevard, #50089
Honolulu, Hawaii 96850-4922
Telephone No.: (808) 541-1160
- b. Department of Taxation
State of Hawaii
Oahu District Office
P.O. Box 259
Honolulu, Hawaii 96808-0259
Telephone No.: (808) 587-4242
Toll-Free: 1-800-222-3229

16. TAX CLEARANCE FOR FINAL PAYMENT

General Provision 7.2 entitled Tax Clearance, is hereby deleted and shall be replaced by the following:

TAX CLEARANCE FOR FINAL PAYMENT

In accordance with Section 103-53, HRS, final payment for the settlement of the contract will not be made by the University until the Contractor has submitted to the University original tax clearances from the State of Hawaii Department of Taxation and the Internal Revenue Service. Tax clearance shall certify that all tax returns due have been filed, and all taxes, interest, and penalties levied or accrued under the provisions of Title 14 that are administered by the State of Hawaii Department of Taxation and under the Internal Revenue Code against the Contractor have been paid.

Notwithstanding Sections 40-57 and 40-58, HRS, if a Contractor fails to provide the original tax clearances within SIX (6) months of the notice of final settlement or completion date of the contract, the University shall assign the final settlement payment in an amount not to exceed the tax liability to the State of Hawaii Department of Taxation or Internal Revenue Service, provided that the State of Hawaii Department of Taxation may first offset its tax debt against the sum owed to the Contractor. This shall apply to all contracts whether with Hawaii vendors, out-of-state vendors, or nonprofit organizations.

The foregoing shall not apply to the Contractor if the State of Hawaii Department of Taxation certifies that the Contractor is in good standing under a plan in which delinquent taxes are being paid to the State of Hawaii Department of Taxation (and the Internal Revenue Service, if applicable) in installments.

Any questions pertaining to tax clearances may be addressed to the following:

- a. Internal Revenue Service, Compliance Division - LTC
300 Ala Moana Boulevard, #50089
Honolulu, Hawaii 96850-4922
Telephone No.: (808) 541-1160
- b. Department of Taxation
State of Hawaii
Oahu District Office
P.O. Box 259
Honolulu, Hawaii 96808-0259
Telephone No.: (808) 587-4242
Toll-Free: 1-800-222-3229

ATTACHMENT

(See Official Document)